Plant closings continue: AMC, Ford, Nissan, VWoA this week

Pre-vacation build: 174,220 cars

By Louise Kertesz
Detroit Reporter

U.S. manufacturers scheduled assembly of 174,220 cars last week as two more auto makers prepared to close their plants for vacation.

That total was down a bit (0.87 percent) from the previous week's 175,757, but was 10.54 percent more than the year-ago week's 157,603.

The total auto build so far this year is 4,414,062 cars, 3.62 percent ahead of the 4,259,973 completed last year at this point.

Companies shared last week's estimated production as follows: General Motors, 60.53 percent; Ford Motor Co., 18.92 percent; Chrysler Corp., 16.07 percent; Honda of America Mfg. Co., 1.81 percent; Volkswagen of America, 1.08 percent; New United Motor Mfg. Co., 0.86 percent, and Nissan Motor Mfg. Co., U.S.A., 0.73 percent.

American Motors' Kenosha plant is idle for inventory adjustment this week (July 1) after being closed for vacation for two weeks. It is scheduled to resume production July 8.

All assembly plants will be closed Thursday (July 4) for Independence Day.

All plants but Chrysler's will also be closed Friday (July 5).

Honda's Marysville (O.) plant also will be closed next Monday (July 8).

Volkswagen of America's Westmoreland (Pa.) plant is down this week for two weeks because of a shortage of Bosch fuel-injection system components. The plant is scheduled to resume production July 15.

All Ford plants are closed this week for the first of two weeks' vacation. Changeover will proceed at some of those plants.

The Ford facilities are scheduled to reopen July 15.

Nissan's Smyrna (Tenn.) plant is also closed this week for the first of two weeks' vacation, with production scheduled to resume July 15.

GM plants working two overtime shifts Saturday (June 29) were: Fairfax, Kans.; Doraville, Ga.; Lakewood, Ga.; Detroit; Janesville, Wis., and Lordstown, O.

Chrysler scheduled two nine-hour daily shifts this week at its plants in Belvidere, Ill., and St. Louis (Nos. 1 and 2).

Chrysler's Jefferson (Detroit) plant is slated for two 8½-hour daily shifts this week.

Truck production under 70,000 for first week in 13

With vacations and changeovers in effect at several assembly plants, truck production fell below 70,000 last week for the first full work week since the end of March.

Last week's scheduled output of 66,128 trucks was down 9.47 percent from the previous week's 73,047 but a bit ahead of (0.68 percent) the year-ago week's 65,679.

So far this year, 1,775,675 trucks have been assembled, 9.54 percent more than the 1,621,081 completed last year at this point.

In observance of Independence Day, all plants will be closed Thursday (July 4); General Motors plants will also be closed on Friday (July 5).

International Harvester Co.'s Springfield (O.) plant closed for vacation Thursday (June 27). It is scheduled to resume production July 15.

All Ford Motor Co. plants are closed this week (July 1) for the first of two weeks' vacation; changeover work will continue at some plants.

Nissan Motor Mfg. Co.'s Smyrna (Tenn.) plant also is shut down this week for the first of two weeks' vacation.

GM's plants in Pontiac (Nos. 2 and 5) were scheduled to work two overtime shifts Saturday (June 29).

Early retirement program set up by Sealed Power

MUSKEGON, Mich.—Sealed Power Corp, manufacturer and distributor of automotive parts and components, has instituted a voluntary early-retirement program for certain members of its salaried workforce.

The company said the program could affect up to 150 men and women during the period from June to December of this year, or about 6 percent of the company's salaried payroll. The move is designed to result in "important future economies for the company."

A spokesman said the early retirements will be spread throughout the company's 35 divisions rather than concentrated in a single area. He said the early retirements will be available to a wide classification of employes, including engineers, accountants, clerks and a "a couple of foremen."

The early retirement program will result in added costs for the company during 1985, but will assist in the long-term goal of reducing expenses.

Sealed Power has declined to specify the amount of the extra costs that will be absorbed this year, since the early retirement is voluntary. However, the spokesman predicted about half the eligible employes will accept early retirement.

The company employs about 7,500 salaried and hourly workers. Sealed Power produces piston rings, sealing rings, cylinder sleeves, transmission rings and other automotive components; specialized service tools, and instruments and products.

Counting both original equipment and replacement markets, about 80 percent of Sealed Power's business is auto-related, according to the company spokesman. In 1984, the company reported earnings of $41.3 million on sales of $500 million.

Canadian output cut by holidays and vacations

Vehicle production in Canada slowed last week because of plant closings related to holidays, vacations and model changeovers.

There was no Saturday overtime (June 29) during the Canada Day weekend; General Motors' St. Therese assembly plant was closed for the Quebec national holiday last Monday (June 24), and American Motors' Brampton (Ont.) plant shut down last week for vacation and changeover. AMC's plant is scheduled to resume production August 5.

All assembly plants are closed today (July 1) in observance of Canada Day.

Last week's estimated production of 24,586 cars was down 4.66 percent from the previous week's 25,789. The prior week's total—though some 440 units short of target—was still the best output of any week since the week ended May 14, 1983, when 27,994 cars were assembled.

Last week's production was 8.27 percent better than the year-ago week's 22,708.

So far this year, 547,461 cars have been assembled, 6.98 percent fewer than the 588,550 completed last year at this point.

Manufacturers planned assembly of 17,126 trucks last week, 10.47 percent fewer than the previous week's 19,128, but 6.58 percent more than the year-ago week's 16,069.

Year-to-date, 462,540 trucks have been built, 6.47 percent more than the 434,445 assembled last year at this time.

International Harvester Co.'s Chatham (Ont.) plant is closed this week for the first of two-weeks' vacation. It is scheduled to resume production July 15.

CANADIAN CAR PRODUCTION

	Week Ended June 29, 1985	Week Ended June 30, 1984	Week Ended June 22, 1985	June Est.	Jan. 1 to June 30, 1984	Jan. 1 to June 29, 1985
AMERICAN MOTORS	0	0	401	811	12,250	5,493
FORD MOTOR	11,386	10,518	11,386	45,492	232,261	263,091
GENERAL MOTORS	12,975	11,965	13,801	54,275	338,364	273,501
VOLVO	225	225	201	658	5,675	5,376
Total Cars, Canada	24,586	22,708	25,789	101,236	588,550	547,461

TRUCK PRODUCTION IN U.S.☆

	Week Ended June 29, 1985	Week Ended June 30, 1984	Week Ended June 22, 1985	June Est.	Jan. 1 to June 30, 1984	Jan. 1 to June 29, 1985
CHEVROLET	22,815	21,276	23,149	98,993	507,759	605,495
DODGE	4,600	3,973	4,557	19,248	106,661	110,109
FORD	21,036	25,169	26,590	99,726	627,496	627,449
GMC	8,002	6,874	8,361	32,781	165,639	188,222
INTERNATIONAL	996	1,280	1,657	5,948	39,139	41,041
JEEP	4,350	3,883	4,511	17,423	97,552	103,192
NISSAN	2,540	2,174	2,433	9,737	49,105	52,887
AM GENERAL	50	50	50	200	1,330	1,260
MISCELLANEOUS	1,739	1,000	1,739	6,956	26,400	46,020
Total Trucks, U.S.	66,128	65,679	73,047	291,012	1,621,081	1,775,675

CANADIAN TRUCK PRODUCTION

	Week Ended June 29, 1985	Week Ended June 30, 1984	Week Ended June 22, 1985	June Est.	Jan. 1 to June 30, 1984	Jan. 1 to June 29, 1985
CHRYSLER	7,448	6,942	9,000	34,381	188,528	215,110
FORD	3,648	3,390	3,613	14,587	83,772	90,505
GENERAL MOTORS	5,760	5,534	6,245	24,439	158,229	150,587
INTERNATIONAL	270	203	270	1,078	3,916	6,338
Total Trucks, Canada	17,126	16,069	19,128	74,485	434,445	462,540
N. American Trucks	83,254	81,748	92,175	365,497	2,055,526	2,238,215

o—Now incudes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

U.S. CAR PRODUCTION

	Week Ended June 29, 1985	Week Ended June 30, 1984	Week Ended June 22, 1985	June Est.	Jan. 1 to June 30, 1984	Jan. 1 to June 29, 1985
AMERICAN MOTORS	0	0	0	7,089	95,648	54,142
Renault Total	0	0	0	7,089	95,648	54,142
Alliance	0	0	0	4,276	51,180	33,039
Encore	0	0	0	2,813	44,468	21,103
CHRYSLER CORP.	28,000	27,756	33,133	123,235	688,602	722,080
Plymouth Total	7,700	7,978	9,276	33,599	200,887	208,497
Horizon	3,000	3,049	3,655	13,136	82,966	76,522
Reliant	3,400	4,156	3,969	14,487	102,388	93,149
Caravelle	1,000	148	1,201	4,395	4,917	28,800
Gran Fury	300	625	451	1,581	10,616	10,026
Chrysler Total	9,200	10,045	10,998	41,408	232,345	238,752
LeBaron	2,000	3,193	2,221	8,644	70,340	56,284
LeBaron GTS	2,600	0	2,757	10,758	0	53,145
Laser	1,300	1,744	1,538	5,878	41,812	29,969
New Yorker/E-Class	1,500	2,448	1,958	6,907	59,200	39,140
Fifth Avenue	1,800	2,660	2,524	9,221	60,993	60,214
Dodge Total	11,100	9,733	12,859	48,228	255,370	274,831
Omni	3,000	2,905	3,647	12,562	78,401	76,727
Aries	3,100	2,709	3,137	12,878	80,965	76,218
Daytona	1,100	1,230	1,471	5,292	31,235	26,839
Dodge 600	1,500	1,892	1,750	6,543	44,872	38,187
Lancer	1,600	0	1,762	6,942	0	37,957
Diplomat	800	997	1,092	4,011	19,897	18,903
FORD MOTOR	32,968	36,271	32,834	131,712	926,473	895,049
Ford Division	21,535	21,917	20,993	84,545	602,873	594,061
Escort	7,511	6,473	7,626	29,956	186,557	169,313
Mustang	3,786	3,053	3,747	15,254	71,361	94,996
LTD	2,791	3,957	2,922	11,599	115,727	117,661
Thunderbird	3,286	2,493	2,718	11,585	83,414	102,280
Crown Victoria	0	1,717	0	0	40,387	7,122
EXP	0	1,078	0	0	17,884	3,838
Tempo	4,161	3,146	3,980	16,151	87,543	98,851
L-M Division	11,433	14,354	11,841	47,167	323,600	300,988
Mercury Total	7,885	10,750	8,323	33,007	233,755	215,758
Lynx	1,744	1,673	1,604	6,635	35,776	38,537
Capri	748	279	740	2,315	9,382	9,381
Marquis	1,489	2,748	1,408	6,595	60,273	59,177
Cougar	2,865	3,014	3,404	12,968	55,867	73,831
Grand Marquis	0	1,882	0	0	50,254	4,733
Topaz	1,039	1,154	1,167	4,494	22,203	30,099
Lincoln Total	3,548	3,604	3,518	14,160	89,845	85,230
Continental	503	953	481	1,970	19,932	14,511
Lincoln	2,659	2,235	2,637	10,619	52,987	61,294
Mark VI/VII	386	416	400	1,571	16,926	9,425
GENERAL MOTORS	105,442	90,576	101,755	397,755	2,427,367	2,587,489
Buick Total	22,482	21,060	21,335	81,864	529,513	521,875
Skylark	0	2,084	0	0	51,716	40,953
Skyhawk	2,340	3,139	2,715	10,270	82,872	58,398
Somerset Regal	2,230	66	1,495	5,915	183	61,880
Century	5,992	4,189	6,174	23,824	116,254	135,285
Regal	3,407	4,613	3,487	12,973	116,284	64,594
LeSabre/Electra(rwd)	3,156	4,600	3,172	12,123	113,609	73,719
Riviera	1,533	834	1,545	6,190	27,033	34,998
Electra(fwd)	3,824	1,535	2,747	10,569	21,562	52,048
Cadillac Total	7,055	6,126	6,971	28,639	172,906	190,894
Cimarron	638	249	597	2,433	9,270	15,063
Seville	682	734	683	2,745	21,648	20,357
Eldorado	1,327	1,627	1,330	5,359	41,460	38,237
Cadillac (rwd)	505	1,936	489	2,590	77,717	27,366
DeVille (fwd)	3,903	1,580	3,872	15,512	22,811	89,871
Chevrolet Total	32,835	29,292	32,973	131,060	827,740	885,606
Chevette	3,637	2,583	3,532	13,541	103,347	84,004
Cavalier	11,030	8,898	10,730	42,605	215,978	257,674
Celebrity	5,658	5,689	5,645	22,612	155,929	147,770
Camaro	5,005	5,025	5,038	20,169	137,111	122,614
Citation	0	2,393	0	0	57,428	28,697
Malibu/El Camino	0	0	0	0	16,346	0
Monte Carlo	2,152	1,847	2,300	9,106	63,567	77,059
Chevrolet	4,353	2,244	4,777	19,069	61,140	144,777
Corvette	1,000	613	951	3,958	16,894	23,011
Oldsmobile Total	27,260	23,238	25,459	98,317	608,714	644,804
Omega	0	896	0	0	26,783	0
Firenza	1,110	1,213	1,445	4,737	39,943	35,786
Cutlass Supreme	6,172	4,075	6,052	23,945	154,662	121,562
Cutlass Ciera	8,994	6,320	7,736	30,552	147,522	193,843
88/98 (rwd)	5,529	7,421	5,346	20,820	191,416	123,580
Olds 98 (fwd)	2,791	2,283	2,432	9,584	23,614	72,135
Calais	2,004	0	1,789	6,021	0	76,827
Toronado	660	1,030	659	2,658	24,774	21,071
Pontiac Total	15,810	10,860	15,017	57,875	288,494	344,310
Acadian**	0	192	319	753	9,282	7,115
2000 Sunbird	3,348	3,430	3,173	10,739	78,638	70,176
1000	769	773	892	3,241	21,430	16,346
Firebird	2,615	2,681	2,627	10,438	59,693	64,171
Phoenix	0	878	0	0	13,289	0
6000	2,947	0	1,573	7,370	0	26,056
Grand Prix/Bon'vle	0	0	0	0	29,733	0
Parisienne	1,980	542	1,979	7,936	14,741	38,060
Fiero	2,640	2,364	2,670	10,684	61,688	59,827
Grand Am	1,511	0	1,784	6,714	0	62,559
HONDA	3,150	3,000	3,118	12,354	66,452	81,950
NISSAN	1,280	0	1,313	4,961	0	9,810
NUMMI (Nova)*	1,500	0	1,450	5,250	0	11,950
VOLKSWAGEN	1,880	0	2,154	8,636	55,431	51,592
Total Cars, U.S.	174,220	157,603	175,757	690,992	4,259,973	4,414,062
Total Cars, Canada	24,586	22,708	25,789	101,236	588,550	547,461
N. American Cars	198,806	180,311	201,546	792,228	4,848,523	4,961,523
N. American Trucks	83,254	81,748	92,175	365,497	2,055,526	2,238,215
North American Cars and Trucks	282,060	262,059	293,721	1,157,725	6,904,049	7,199,738

*—Revised estimate
**—All Acadians are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

July 8, 1985

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VW Group takes lead in Europe

By Richard Feast
European Editor

LONDON.—The Volkswagen Group has taken a narrow lead in the Western European new-car market.

It was market leader in April and May, giving it a five-month share of 12.8 percent, compared with Fiat Auto's 12.7 percent in second place.

These unofficial early returns show that Volkswagen and Fiat have built up a significant (in Europe) lead of more than one percentage point over the Continent's remaining four volume manufacturers.

At the end of May, the remaining order was: Ford and General Motors (Opel and Vauxhall), 11.7 percent each; the Peugeot Group (including Citroen and Talbot), 11.6 percent, and Renault, 10.8 percent.

The Fiat Group had led the tight race until the end of April. Ford won last year by a slim margin over Fiat and is now level with GM, which was fifth in 1984.

Total new-car demand in the first five months was down 3.4 percent, at just over 4,773,000, compared with the year-earlier period.

The share of Japanese makes

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Sorry, it's not for sale

A different kind of Cimarron

This Cimarron concept was developed by Cadillac design studios at the request of the Automotive Products Group of PPG Industries and will be used as a VIP courtesy car during the CART/PPG National Indy Car World Series of Racing events. It has two windshields, front and rear TV and two-way radios with headsets. Wheelbase is 106.2 inches. The engine is a specially built front transverse-mounted 2.8-liter V-6.

Big 3 economists see strong year, but '86 is cloudy

By Michelle Krebs
Financial Editor

Economists for the Big Three auto makers look for 1985 to continue being a good year; but watch out for 1986, they say.

The industry this year remains on track for approximately 15 million car-and-truck sales. It would mark only the second time the industry has hit the 15-million mark.

Early in 1985, General Motors had predicted a 15-million-unit year, with 10.7 million passenger car sales and 4.3 million truck sales.

"We're still within 100,000 and, if anything, it may be higher than we are forecasting," said David C. Munro, GM's general director of macro economics. "Truck sales might well be up to 4.4 million units.

"We're broadly confident of the story line we had in mind for the economy six months ago," he added.

Chrysler Corp. and Ford Motor Co. had been conservative in their estimates earlier in the year, but they were optimistic that the numbers might be higher than their predictions.

Chrysler Economist Donald P. Hilty recently upgraded his forecast of motor-vehicle sales to 15.4 million units from 14.5 million. He estimated 10.9 million car sales and 4.5 million truck sales for the year.

Hilty watches 10 economic indicators and assigns the colors of traffic signals to them. In his most recent forecast, he has no indicators bearing red lights and only half with yellows, rendering a more optimistic outlook than six months ago.

Ford Economist John V. Deaver also upgraded his forecast for vehicle sales and now looks for 14.9 million units—10.6 million to 10.7 million car sales and 4.3 million truck sales. His upgrade came on the heels of a better-than-expected first half.

The economy generally has shaped up the way the auto makers' economists saw it in January, and they see nothing on the short-term horizon to upset the trend.

"There's nothing surprising in the market ahead," said GM's Munro. "We expect it to be a strong and level market. Unlike the rising growth of 1983 and 1984, 1985 is more a plateau year.

"There's nothing on the scene that disturbs us," he added.

The three economists see U.S. economic growth, as measured by the Gross National Product, holding at the approximately 3 percent rate, or just under, that they had

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Imports up more than domestics

Sales rise 2 pct. for first half

By Jenny L. King
Detroit Reporter

First-half new-car sales in the U.S. mirrored exactly the sales pattern developing month by month this calendar year: Domestics were up only slightly from 1984 levels and imports hinted at a renewed sales surge following the easing of restrictions on the Japanese makes at the end of March.

First-half domestic sales totaled 4,314,667 this year, up from 1.61 percent from 4,246,343 in 1984 and highest for the half since 1979 when 4,446,176 new cars were delivered.

There were sales increases in four of the first six months this year, whereas each comparable month was up in 1984 when sales were rebounding energetically from a four-year slump.

Imports were up 6.93 percent in the first half, to 1,316,959 from 1,231,655. The total included record sales for BMW, Mercedes-Benz, Jaguar, Saab and Volvo.

Total industry sales for the first six months were up 2.80 percent, to 5,631,626 from 5,477,998.

Imports claimed 23.39 percent of the first-half market this year, up from 22.47 percent in 1984.

Their number increased 6.93 percent, while domestic sales were up 1.61 percent January through June. And on the wings of record sales, imports advanced to 26.87 percent of the month's market from 23.52 percent a year earlier.

The Japanese share of the import total inched to 76.81 percent this year from 75.87 percent the first half of 1984.

June domestic sales, crippled by a 21.78-percent third-period decline, were down 6.97 percent, to 676,675 from 727,370. Imports wiped out their former June record of 235,282 set in 1983 with a new high of 248,659. That total was up 10.59 percent from 224,844 a year earlier.

The grand total in June was off 2.82 percent, to 925,334 from 952,214.

Six-months results were impressive for Chrysler Corp., Ford Motor Co. and Honda, all increasing sales compared with the same half of 1984. Chrysler was up 17.66 percent, to 603,818 domestic units from 513,174, or plus 90,000 new cars. Ford climbed 7.20 percent, to 1,081,872 from 1,009,186, and Honda domestic sales were up 26.47 percent, to 83,051 from 65,670.

General Motors reported first-half domestic sales of 2,436,247,

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breaking news

Ford eyes plastic body sheets for Taurus

DEARBORN.—Sources in the chemicals trade say Ford Motor Co. may be using plastic exterior panels on Taurus and Sable as early as the 1988 model year. The company does not use any exterior plastic sheet now. General Motors, of course, has the molded fiberglass Chevrolet Corvette and plastic-skinned Pontiac Fiero. Intro of Taurus/Sable, new as 1986 lines, has been delayed until mid-November.

Ford to build $200-million engine plant in U.K.

LONDON.—The announcement that Ford of Europe is to put $200 million into a new engine facility at Dagenham, England, is confirmation that an earlier plan to import the

See BREAKING NEWS, Page 8, Col. 1

Prices spiral upward as underwriters' shakeout continues

New dealer insurance market: Higher fees, fewer choices

By Richard Johnson
Detroit Reporter

Automobile dealers seeking property and casualty insurance have seen the market turn upside down during the past year, with premium rates skyrocketing, deductibles spiraling upward and availability of insurance becoming uncertain.

This is the first in a series of reports which will examine the state of the insurance market for dealers. Forthcoming stories will address steps dealers can take to control insurance expenses and discuss alternatives to conventional carrier coverage.

A general insurance industry shakeout is playing particular havoc with dealerships and other high-loss-exposure operations. According to some insurance business observers, the result will be a move toward self-insurance and other specialized insurance programs.

First of a Series

Several major companies have either substantially tightened the reins on dealer business or cut dealers out altogether. Some carriers are no longer writing policies for retailers of expensive imports.

Other insurance companies have gone broke, leaving dozens of auto dealers unprotected. When Ideal Mutual Insurance Co. was declared insolvent and ordered liquidated by the New York Insurance Department earlier this year, approximately 1,000 dealers were reportedly dumped onto the market.

"Last year was the worst ever in the history of the property and casualty business," said Shelly Barquist, vice president—marketing for Motors Insurance Corp., General Motors Acceptance Corp.'s insurance subsidiary. "There was a loss of $20 billion by companies at the underwriting level, most in the commercial end."

The industry turbulence follows years of rampant discounting among carriers, during which insurance professionals say premiums were held down artificially. Even with major price hikes in recent months, rates have not yet found their natural levels, according to several industry spokesmen.

Meanwhile, the investment returns that had been underwriting the underwriters dried up when interest rates plummeted. And with insurance profitability ebbing, investor funds into the industry have slowed, leaving insurers with less capacity.

"The industry is falling apart for auto dealers," said Roger Heckman, vice president, marketing and underwriting at Dealer Cover, Torrance, Calif. "The problem right now in dealer insurance is similar to the medical malpractice problem of the early 1970s. Since September, 1984, one pro-

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Concessions could pave way for new Kenosha plant

Thinner AMC contract goes to vote

By Marjorie Sorge
Labor Editor

Some 7,000 of the 7,600 UAW-represented workers at American Motors' Wisconsin plants will vote this week on a three-year contract that grants the company concessions, saves the plants from closure and may pave the way for construction of a new assembly facility.

If the contract is ratified, it could be the first step toward building a new assembly plant in Kenosha.

The 7,000 Kenosha workers will vote Friday (June 12).

The contract also covers 600 workers at AMC's stamping operation in Milwaukee, members of Local 75. The Milwaukee workers voted last Saturday (July 6).

State and city officials have been waiting to see if the union and the company could reach a more competitive agreement before taking steps to plan for AMC's future in Wisconsin.

It now is possible that state and city governments may help provide a new assembly plant in Kenosha to replace the aging, multi-storied lakefront facility and may become involved in training programs and other state and city-aided programs. The age and the numerous stories in the plant make it difficult to create a cost-efficient operation in the future.

"The ball is in their court now," said Rudy Kuzel, president of Kenosha Local 72, indicating that the union has done what it can with the new agreement.

Kenosha Mayor John Bilotti has indicated that AMC would be welcome to land in an industrial park for a new plant.

Wisconsin Gov. Anthony S. Earl is also expecting to talk with AMC officials after the contract is ratified. Richard Calmes, AMC labor relations vice president, has told the governor he will meet with

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Yabba-Dabba-Doo and Yogi, too

Fred Flintstone and Yogi Bear welcome visitors to the newly named Chrysler Grand Music Hall at the Great America Amusement Park in Santa Clara, Calif. Chrysler is sponsoring the Music Hall production of The Best of Broadway, featuring 30 singers and dancers. As part of the promotion, Chrysler-Plymouth and Dodge vehicles are on display throughout the park.

Fire probe requested on Chrysler K-cars

By Jake Kelderman
Washington Reporter

WASHINGTON.—Are Chrysler-built K-cars and other of its models fitted with carbureted engines prone to catching fire? The Center for Auto Safety, with reports of more than 500 occurrences in hand, thinks so and has asked NHTSA to open a formal defect investigation into the alleged problem.

The center also thinks the safety agency should order a recall of 2.5 million 1981-1984 K-cars (Aries/Reliant) and Omni/Horizon models for the alleged defect.

The latest request from the center follows six prior requests to NHTSA, made in 1983-1984, to look into the alleged problem. All those requests were denied although in November, 1984, the safety agency did open a "preliminary evaluation" of the alleged problem in K-cars with 2.2 or 2.6-liter engines.

In January of this year and twice in 1984, Chrysler recalled a total of approximately 500,000 cars with its 2.2-liter and 2.6-liter engines for fire-related defects.

Chrysler cited leaking gaskets, fuel-line cracking and bad hose clamps as possible causes, but it maintains in regard to the safety center's petition that it "is not aware of any pattern or any repetitive design/manufacturing potential defect that causes continuing concern for engine compartment fires on the subject vehicles."

Previously, NHTSA closed an investigation into alleged fire hazards in 1981 K-cars after no common cause among the alleged fires was identified.

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Must stay in U.S., French maker says

Renault approves loans to AMC

By Jean-Jacques Renaux
Special Correspondent

PARIS.—Renault chief Georges Besse expects Aerican Motors to report a loss this year and in 1986, too, but said Renault intends to support its U.S. affiliate financially.

The decision was approved by Renault's board during a June 25 meeting. Proceedings were revealed by the Communist union CGT a few days later. Besse confirmed the report last week during an informal meeting with the press, the first since he took Renault's reins six months ago.

Renault did not confirm the figure quoted by the union, but it did confirm it will help AMC with loans through 1987. The union said the new loans would total $175 million.

AMC will have heavy costs through 1987 as it expands its product lineup. In the 1987 model year it will import a new compact sedan from France, and in the 1988 model year, it will launch a Canadian-made intermediate.

Renault noted AMC's current losses are small compared with most of the Renault group's other activities. It said it has to stay in the U.S.

If Renault considered a retreat from the U.S., as rumors had suggested, it seems it has now made up its mind to stay, and has the approval of the French government, Renault's sole shareholder.

In Europe, Renault hopes to improve its market performance by next year with the replacement for the 18 model. A company spokesman said Renault hopes to improve it market share by about one percentage point, raising it to 11.8 percent.

Renault based its three-year recovery strategy on lower market shares, however: 11 percent in Europe and 31 percent in France. Using these conservative figures, Renault will attempt to lower its production capacity and its breakeven point.

Renault intends to improve its productivity by some 30 percent to average 14 cars per worker per year, compared with the current average of 10.9.

The objective is to get productivity better than its competitors, according to a company official. It probably will achieve these increases in unspectacular ways, managers said. They avoided comments on suggestions that Renault would have to close any plants.

Besse was in Japan two months ago, visiting Toyota and Nissan. There is no plan for cooperation with the Japanese on components or car manufacturing, Renault said.

Currently some 25 percent of Renault's sales are in inventories, from suppliers to dealers. This compares with 13 to 14 percent at Fiat and a high of 7 percent in Japan, Renault said.

The company wants to get a spectacular improvement first in its inventories of finished cars. Adopting just-in-time in-process inventory systems will take several years, however.

Autumn decision due on U.S. Toyota plant

TOKYO.—Toyota Motor Corp. will build a plant in the U.S. by the middle of 1988, according to a report published here by a financial newspaper.

A Toyota source said a decision to build a new plant, which would cost some $800 million, could be announced here in autumn when Toyota meets with its U.S. dealers. If the decision is not reached by that time, the source indicated, it may be some time before the company is ready to make an announcement.

The dealers' visit will coincide with the Tokyo Motor Show, Oct. 30-Nov. 11.

Honda's recent decision to build engines in the U.S. reportedly has spurred Toyota management into accelerating the decision-making process on a U.S. plant.

Initial annual production would be 200,000 cars, based on the Mark II model and featuring engine displacements of 2.0 and 2.6 liters, the report said.

It added that in a second phase, production would include newly developed cars with engine displacements of 3.0 to 4.0 liters.

However, a Toyota spokesman labeled "completely ungrounded" the story in Nihon Keizai Shimbun. He said Toyota has received complaints from its dealers in the U.S. about the shortage of cars and said that the company "must do something to solve the problem."

He said Toyota is studying the situation, and he acknowledged that one solution would be for the company to construct a plant in the U.S. However, he emphasized that "the study has not yet progressed to that point."

The report by Nihon Keizai Shimbun said the Toyota facility would be located in the Midwest.

The second-phase cars to be developed and produced by Toyota are expected to enter into head-on competition with Chrysler Corp., Ford Motor Co. and General Motors.

The move is said to be designed to fend off U.S. criticism of Japan's huge trade surpluses. Toyota currently produces small cars in California in a joint venture with GM, with the entire supply going to GM. There have been reports that the California plant, in addition to building for GM, will begin to supply Toyota dealers with cars this fall at a rate of 50,000 units per year.

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60th year—No. 5082

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Early sellout expected for NADA show space

WASHINGTON.—NADA will have more exhibit space at next February's convention in New Orleans than it had last January in San Francisco, "but we still expect to sell out before September," according to Frank England, convention committee chairman.

The 1986 NADA convention is scheduled for Feb. 1-4 at the New Orleans Convention Center.

Contracts have been mailed to firms that exhibited at the San Francisco convention. This week, forms will be mailed to all other companies that have expressed an interest in exhibiting at the New Orleans meeting.

A year ago, all available exhibit space was sold out within a few weeks after the initial mailing. A waiting list was developed, and it grew to more than 130 firms.

The NADA exposition offers a full range of products and services needed by auto dealers.

In addition to auto manufacturers, exhibitors include companies that sell computers, financial and business management systems, van conversions, diagnostic test equipment, warranties and insurance, aftermarket products and frame-straightening, brake and alignment equipment.

England said the 820,000-square-foot New Orleans Convention Center will accommodate all of the convention's exhibits, workshops and general sessions in a single building. The Convention Center opened in January, 1985, after a year's service as the principal building for the 1984 World's Fair,

"Our convention has grown so

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Luxury plus utility

Broadway AMC-Jeep-Renault, Inc., Littleton, Colo., will exclusively sell this first line of custom-built, four-wheel-drive Grand Wagoneer limousines. DaBryan Coach Builders, Springfield, Mo., is building the vehicles. Interior appointments include dark tinted windows, stereo system, TV, bar, ice compartment with built-in drainage, automatic window and solid partition between the driver's section and the rear compartment.

Record number of vehicles built in Spain

But only one maker—Ford—showed a profit in 1984

By Richard Feast
European Editor

Spain assembled a record number of passenger cars last year—almost 1.2 million, which ranks it No. 6 in the world and fourth in Europe. It amounted to a volume increase of more than 3 percent.

At the same time, its exports went up nearly 12 percent to 715,600. That meant the country exported 61 percent of all the cars it made. It is the sort of level one associates with exporters like Japan and West Germany.

On the face of it, then, it was a good year for the Spanish industry. However executives at the recent Barcelona auto show did not see it that way. Of the country's six manufacturers, only one—Ford—is profitable. The market never seems to live up to the cautious optimism expressed for it. Last year was typical; growth of about 5 percent was forecast, but demand contracted by that amount.

Overriding all problems is the one which affects so much of the rest of Europe—over-capacity. In Spain's record year, it still had something like 35 percent more car-making ability than the world could absorb. Five years ago, Renault built 110,000 more cars than it did last year. Ten years ago Seat's output was 100,000 more than it was in 1984. In total, it is estimated that Spain's factories could turn out 1.6 million cars a year.

"The fact of the matter is that the European market is declining," comments Dr. Horst W. Herke, chairman and managing director of GM-Espana. "And a great percentage of sales are subject to some sort of promotion."

His counterpart at Ford-Espana, Managing Director Patrick P. Byrne, agrees. Exports to the rest of Europe are the key, "because domestic business is not that interesting at present."

Last year total Spanish registrations amounted to 493,900, of which all but 8.7 percent were domestically produced. This year the figure may go up to about 510,000, though in the late '70s the total was in excess of 600,000. "Everybody has got their industry forecasts for Spain wrong, and certainly we're not expecting as much growth as we originally were," explains Byrne.

The industry believes it is well prepared for Spain's entry into the European Economic Community, in January next year. It is already a strong exporter, as companies like Renault, Peugeot group, Ford and GM-Opel take advantage of the comparatively low labor costs in Spain. Seat, the other domestic manufacturer, is expected shortly to reveal closer links with the Volkswagen group, for which it already assembles some cars in Spain.

On the other hand, the 36.7 percent tariffs imposed on imports will be only gradually reduced over an eight-year period. It will give better access for expensive car makers like Daimler-Benz, BMW and Volvo. Importantly, it will eventually enable Fiat, the only major European now without a manufacturing presence in Spain, to price its products more competitively.

The government's "White Book"—a concept rather than a printed document—embraces the idea of Spain as builder of Europe's small cars. It has to keep a close watch on how the industry develops, because its health affects up to 12 percent of Spanish wages.

It identifies low labor costs in the country. Seat puts them as much as 50 percent below those of its VW partner. Others, like Ford and GM, believe 30 percent is more realistic. But given that labor costs account for a quarter of the ex-factory price, the savings possible are too hard to ignore, especially when building price-sensitive small cars.

At the same time, Spain's demand is largely for small cars; its best sellers last year were Renault 11, Renault 9, Opel Corsa, Peugeot 205, Ford Fiesta, Renault 5, and so on. In addition to the local market requirement, neighboring countries like France and Italy have similar buying patterns. Exports are therefore easier than they are to, for example, Sweden or Austria.

Renault and Peugeot's Citroen and Talbot factories are fully integrated within the parent groups' European supply system. A French buyer of a Renault 5 or Peugeot 205 could unwittingly be getting a Spanish-built car. However, Renault's French problems mean it is sourcing more of its European requirements from France rather than from Spain. It explains the substantial drop in Spanish Renault output last year.

When GM went into Spain at the beginning of this decade, it was followig the Ford principle established a few years earlier. It is about to take a step further towards the Ford pattern.

Ford's Valencia factory was built to supply most of Europe's needs with the small Fiesta. Only later did it add Escort and Orion, and then mainly to provide a broader model offering for its Spanish dealers. Similarly, GM's Zaragoza unit is the sole source of the Opel Corsa/Vauxhall Nova in Europe. Now the company has a plan to add the Kadett/Astra line next year—because, according to marketing director Eddy van Loo, it can see no growth in its Spanish market share with a limited model range based on Corsa.

Seat, too, is assembling small cars for Europe—VW Polos and Classics. They are sold through the European VW dealer network. There seems little doubt that Seat would like to do the entire job for VW, but employment considerations in Wolfsburg make it a sensitive issue. Under its old agreement with Fiat Auto, Seat is still assembling Pandas that will be retailed by Fiat.

Thus the importance of Spain as Europe's small-car producer is already evident. It is likely to grow more so—and not just through existing manufacturers.

Nissan, which now controls 85 percent of Motor Iberica, and Suzuki, whose four-wheel-drives are manufactured by Santana, may over the longer term become European passenger car producers. Nissan has now abandoned the stance that Motor Iberica is simply to assemble Patrol 4x4s and Vanette commercial vehicles; the prospect of car assembly is now being more openly discussed. And at Santana (49 percent owned by Britain's Land Rover) the aim is 85 percent local content for the Suzuki by the end of the year. It would make the fashionable SJ, now going into production, an attractive export proposition.

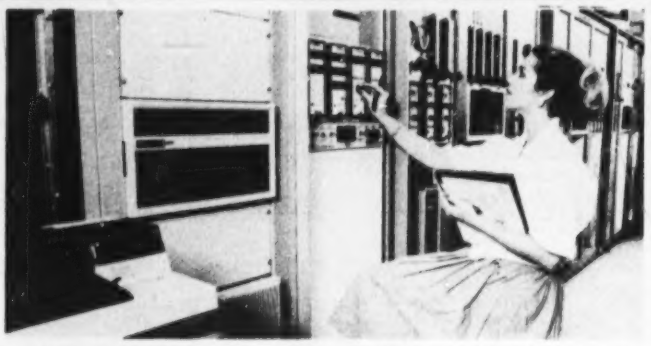
On the domestic market front, the underlying optimism about growth remains. Spain, points out a GM official, is a country of 37 million people and annual car sales of about half a million. It has one of the lowest car densities in Europe, and, unlike countries like Holland or the UK, it has the physical size to accommodate more vehicles. The proportion of young people is high, suggesting that car buying is set to increase over the years. The imminent membership in the EEC is expected to be a further sales stimulus, as previously unseen makes and models create interest in personal transport.

On the other hand, unemployment remains high and purchasing power is slipping. Business confidence remains low. The country's infrastructure requires more development. There is uncertainty over how consumers will react in the final months of this year, as the country adopts value-added tax on goods, as required by the EEC.

The industry is campaigning hard for lower taxes on cars, fuel and highway tolls. It would also like to see the adoption of an annual safety check similar to those existing in other European countries. The proportion of clunkers on the road is perhaps higher than anywhere in Europe. The annual test could dispatch one million to the scrap yards, and give the new car market some oxygen.

CAR PRODUCTION IN SPAIN

Company	1984	1983	1982	1981	1980
Ford	262,099	221,912	222,026	248,045	260,005
GM	259,971	246,340	21,812	0	0
Peugeot SA	184,713	166,315	147,550	133,405	150,592
Citroen	98,506	112,221	94,498	74,495	84,836
Talbot	86,207	54,094	53,052	58,909	65,052
Renault	214,786	283,172	296,107	269,029	324,680
Seat	255,971	223,887	240,005	204,847	293,536
Total	1,176,893	1,141,581	927,500	855,325	1,028,813



A worker checks data at the vehicle emissions test laboratory at GM's new European technical center in Luxembourg.

GM dedicates tech center

Strategically located in Luxembourg

By Richard Feast
European Editor

General Motors' technical center in Luxembourg—officially dedicated May 30—is part of a bid to win more European customers for the corporation's automotive component divisions. Today, those European customers number "at least six" outside the GM fold.

"We do not have a guaranteed customer within GM," says a GM manager. "Our objective is to sell to other car makers."

The simple location of the GM facility is an indication of its international approach. Luxembourg is neutral territory, and thus removed from Adam Opel in West Germany, Vauxhall Motors and Bedford in the U.K. But it is geographically near to them, and to Europe's other vehicle makers.

The center is the development, testing and applications laboratory of the Automotive Systems Engineering Group (ASEG). This is supported by GM's Electrical Components Division under vice president Edward P. Czapor, who was on hand for the formal ceremonies at the end of May. The event was also attended by Prince Henri and Princess Teresa of Luxembourg.

Divisions involved in ASEG are AC Spark Plug, Delco Electronics, Delco Products, Delco Remy and Rochester Products. GM says the center's mission is to serve as a single source for vehicle systems for European makers. This embraces engine management, emission controls, transmission management, ignition, fuel injection, ride control, instrumentation and climate control.

The center is staffed by 54 people from eight countries under manager Klaus J. Ness. At present the personnel are under U.S. management control, but over the next three years Europeans will gradually take their place.

The center covers nearly 65,000 square feet. It is located in the community of Bascharage, about nine miles from the city of Luxembourg. Among its facilities are emission testing equipment, engine and chassis dynamometers, engineering garage, fuel analysis lab, support computers, component test stands and electronics lab.

Czapor estimates that between 15 and 20 percent of the Electrical Components Group's annual sales ($11.4 billion last year) are with outside companies. It includes $17 million worth of business with Japanese companies—and not just Isuzu and Suzuki. "If we can sell to Japan we can sell all over the world," comments Czapor.

Talk at the opening concentrated on the developments which are being worked on for inclusion in future products. Among them are multiplex wiring (a first application on the Cadillac Allante), TV screen to call up controls (1986 Buick Riviera), aircraft-style head-up display (expected in two years) and cassette-less in-car entertainment in which the music is stored on super-chips (due in the 1990s).

Excalibur returns to European market

First showroom established on the beach at Monte Carlo

By Richard Johnson
Detroit Reporter

After several years' absence, Excalibur Automobile Corp., Milwaukee, is establishing a new beachhead in Europe—on the beach at Monte Carlo, to be exact.

Excalibur Motor Car Distributors, a distributorship founded by Neil Van Luven, was due to open a showroom in Monte Carlo in late June, according to William Stevens, executive vice president of the neoclassic-car maker.

Stevens said Van Luven, in association with others, will also set up showrooms in London and Geneva before spring.

Excalibur once had sales centers in Rome and Monte Carlo but has been out of Europe for five years. Excalibur has a distributorship in Tokyo, where the company sells about half a dozen cars a year, Stevens said.

The new European distributor will market high-performance versions of the Phaeton and Roadster models sold in the U.S.

Stevens said the European Excaliburs will be powered by a 350-CID, 300-HP engine. Engine and some chassis modifications will be made in the U.S. Prices for the European models have not been set.

He said the company is projecting 20 sales a year out of the Monte Carlo showroom. Within "a couple of years," sales should reach 36 cars annually from the European distribution points, he said.

The distributor will have rights to the Middle East market. Stevens said it is easier to sell to wealthy Middle-Easterners in Europe than on their home turf.

"When they are traveling in Monte Carlo or London, they are in a buying mood," he said. "They have a whole different state of mind. It is the same as Florida dealers who do well with buyers on vacation from the East and Midwest."

Sales operations at the new distributorship are headed by Dan Brush, who directed Excalibur's West Coast sales for eight years.

Excalibur has been promoted in Europe via the Professional Golfers Assn. The neoclassics are being given as prizes in hole-in-one contests on the European tour. Stevens said six have already been awarded.

Nissan's list

Mexico is second

MEXICO CITY.—Mexico has proved to be the second-best country (after the U.S.) outside Japan for Nissan, according to Soichi Amemiya, who was director of Nissan de Mexico for nine years.

Nissan's investment in Mexico is about $400 million, and Nissan de Mexico now produces 72,000 cars annually, with 7,000 for export, he said.

Amemiya said the company will not use robots to assemble automobiles in Mexico in the near future, since there is a qualified, cheap labor force available. Amemiya recently assumed planning duties in Japan.

Automotive World News

Registrations overseas

UNITED KINGDOM
Cars

	5 mos., 1985	5 mos., 1984
Alfa Romeo	1,371	1,980
BL	148,523	145,001
BMW	15,612	12,223
Daihatsu	1,933	2,444
Fiat Auto	24,950	21,647
Ford	207,965	226,505
FSO	2,563	1,907
GM-Vauxhall	140,678	142,341
Honda	7,163	7,252
Hyundai	2,076	1,346
Jaguar	3,624	3,426
Lada	5,737	6,684
Lotus	265	233
Mazda	6,524	7,415
Mercedes-Benz	8,442	7,389
Mitsubishi	5,577	4,391
Nissan	40,323	38,770
Panther	33	101
Peugeot SA	45,271	45,102
Citroen	11,133	12,794
Peugeot/Talbot	34,138	32,308
Reliant	225	55
Renault	32,734	26,886
Rolls-Royce	319	274
Saab	3,670	4,059
Skoda	3,760	4,933
Subaru	1,234	1,107
Suzuki	1,787	1,474
Toyota	14,469	12,386
VW-Audi Group	49,433	45,138
Audi	9,603	9,426
Volkswagen	39,830	35,712
Volvo	26,295	26,925
Zastava	3,207	2,323
Others	2,165	2,429
Total	807,928	804,146

SWEDEN
Cars

	5 mos., 1985	5 mos., 1984
Alfa Romeo	550	477
BMW	1,870	1,932
Daihatsu	535	401
Fiat Auto	2,909	2,751
Ford	13,514	11,052
GM-Opel	12,753	9,990
Honda	1,789	1,532
Lada	654	628
Mazda	4,910	4,357
Mercedes-Benz	3,972	2,487
Mitsubishi	1,088	636
Nissan	3,628	2,747
Peugeot SA	3,360	3,347
Citroen	1,497	1,582
Peugeot/Talbot	1,863	1,765
Porsche	163	145
Renault	797	961
Saab	12,712	13,272
Skoda	169	139
Subaru	694	293
Suzuki	294	1
Toyota	4,744	3,733
VW-Audi Group	13,558	11,866
Audi	4,956	2,883
Volkswagen	8,602	8,983
Volvo	30,574	27,355
Others	28	14
Total	115,265	100,116

WEST GERMANY
Cars

	4 mos., 1985	4 mos., 1984
Alfa Romeo	3,048	4,652
Austin Rover	2,569	2,990
Bertone	149	317
BMW	47,305	66,525
Daihatsu	2,461	2,371
Fiat Auto	37,963	41,577
Ford	80,084	107,227
GM-Opel	132,366	166,961
Honda	11,325	14,726
Isuzu	1,383	932
Jaguar	825	565
Lada	2,901	3,417
Madza	25,269	24,845
Mitsubishi	14,763	15,285
Mercedes-Benz	96,711	93,311
Nissan	20,344	22,000
Peugeot SA	36,195	38,748
Citroen	13,693	15,245
Peugeot/Talbot	22,502	23,503
Pininfarina	407	201
Porsche	4,441	5,056
Renault	30,774	34,875
Saab	1,054	1,469
Seat	1,259	1,578
Skoda	714	825
Subaru	3,679	2,299
Suzuki	6,576	5,099
Toyota	20,434	17,950
VW-Audi Group	238,879	262,606
Audi	49,905	57,352
Volkswagen	188,974	205,256
Volvo	4,701	5,913
Others	684	492
Total	829,263	945,314

AUSTRIA
Cars

	4 mos., 1985	4 mos., 1984
Alfa Romeo	883	1,023
BMW	2,805	3,620
Daihatsu	239	281
Fiat Auto	4,952	6,308
Ford	8,212	8,551
GM-Opel	12,598	11,296
Honda	1,581	1,652
Lada	521	493
Mazda	7,902	7,935
Mercedes-Benz	3,234	2,532
Mitsubishi	1,861	1,370
Nissan	4,469	3,867
Peugeot SA	5,792	5,923
Citroen	2,695	2,582
Peugeot/Talbot	3,097	3,341
Porsche	162	232
Renault	4,316	4,174
Saab	102	167
Seat	304	382
Skoda	374	259
Subaru	1,237	746
Suzuki	511	384
Toyota	3,812	3,674
VW-Audi Group	17,007	15,241
Audi	3,907	2,980
Volkswagen	13,100	12,261
Volvo	1,237	1,363
Others	167	130
Total	84,278	81,603

DENMARK
Cars

	4 mos., 1985	4 mos., 1984
Alfa Romeo	42	132
Austin Rover	123	203
BMW	1,125	1,096
Dacia	281	369
Daihatsu	694	607
Fiat Auto	2,865	2,988
Ford	8,630	8,037
FSO	708	311
GM-Opel	9,705	8,036
Honda	589	503
Lada	1,442	1,530
Mazda	4,631	5,094
Mercedes-Benz	364	307
Mitsubishi	916	452
Nissan	2,398	2,607
Peugeot SA	3,134	3,573
Citroen	2,068	2,304
Peugeot/Talbot	1,066	1,269
Renault	463	227
Saab	620	701
Skoda	1,482	3,537
Subaru	15	37
Suzuki	171	11
Toyota	6,600	5,431
Trabant	14	35
VW-Audi Group	3,943	3,719
Audi	263	272
Volkswagen	3,680	3,447
Volvo	2,249	2,179
Wartburg	486	436
Zastava	595	221
Others	16	18
Total	54,271	52,544

JAPAN
Cars

	3 mos., 1985	3 mos., 1984
Daihatsu	28,775	30,158
Fuji	22,550	24,242
Honda	64,691	60,826
Isuzu	8,438	11,306
Mazda	52,130	56,195
Mitsubishi	49,986	55,283
Nissan	241,394	244,032
Suzuki	21,268	21,165
Toyota	370,549	346,787
Imports (all)	11,727	9,054
Total	871,508	859,048

Vans, trucks, buses

Daihatsu	88,954	75,149
Fuji	61,745	57,486
Hino	11,778	12,484
Honda	34,484	35,558
Isuzu	30,555	31,571
Mazda	38,511	39,448
Mitsubishi	96,856	83,535
Nissan	78,449	79,107
Nissan Diesel	6,057	6,578
Suzuki	102,941	95,114
Toyota	93,067	92,499
Imports (all)	34	40
Total	646,431	608,569
Total vehicles	1,514,939	1,467,617

SWITZERLAND
Cars

	3 mos., 1985	3 mos., 1984
Alfa Romeo	1,620	1,786
AMC	38	52
Austin Rover	594	628
Bertone	29	52
BMW	2,608	3,704
Daihatsu	295	246
Ferrari	41	47
Fiat Auto	5,165	5,859
Ford	4,723	4,441
GM-Opel	8,776	10,719
Honda	1,879	2,001
Isuzu	110	175
Jaguar	102	111
Maserati	38	104
Mazda	1,912	2,281
Mercedes-Benz	1,631	1,940
Mitsubishi	1,914	2,257
Nissan	1,933	2,183
Peugeot SA	5,224	6,274
Citroen	2,003	3,000
Peugeot/Talbot	3,221	3,274
Pininfarina	30	53
Porsche	318	455
Puch	33	30
Renault	3,994	3,908
Rolls-Royce	16	16
Saab	256	328
Seat	167	0
Skoda	29	37
Subaru	3,093	1,715
Sizuki	860	964
Toyota	3,412	4,942
VW-Audi Group	10,760	10,596
Audi	4,022	2,739
Volkswagen	6,738	7,857
Volvo	1,101	1,574
Others	48	40
Total	62,749	69,518

NORWAY
Cars

	3 mos., 1985	3 mos., 1984
BMW	861	591
Fiat Auto	1,292	1,314
Ford	5,346	3,851
GM-Opel	4,669	2,821
Honda	843	741
Lada	550	598
Mazda	3,124	3,112
Mercedes-Benz	408	412
Mitsubishi	1,146	884
Nissan	1,499	1,371
Peugeot SA	1,900	1,599
Citroen	620	523
Peugeot/Talbot	1,280	1,076
Saab	678	697
Toyota	3,631	2,074
VW-Audi Group	4,304	2,676
Volvo	2,687	2,135
Others	1,166	724
Total	34,104	25,600

Production overseas

JAPAN
Cars

	3 mos., 1985	3 mos., 1984
Daihatsu	39,937	41,089
Fuji	57,458	65,089
Honda	222,986	215,443
Isuzu	39,897	19,486
Mazda	199,658	190,507
Mitsubishi	129,812	122,352
Nissan	467,315	479,680
Suzuki	52,047	36,794
Toyota	629,673	597,448
Total	1,838,783	1,767,886

Vans, trucks, buses

Daihatsu	103,204	93,351
Fuji	76,405	69,619
Hino	14,568	15,388
Honda	40,105	37,770
Isuzu	80,824	75,346
Madza	89,386	93,053
Mitsubishi	138,785	131,039
Nissan	171,871	168,001
Nissan Diesel	8,834	10,050
Suzuki	112,498	124,613
Toyota	282,630	247,359
Others	92	224
Total	1,119,202	1,065,815
Total vehicles	2,957,985	2,833,703

FRANCE
Cars

	4 mos., 1985	4 mos., 1984
Peugeot SA	439,303	447,804
Citroen	162,574	170,097
Peugeot	262,025	245,188
Talbot	14,704	32,519
Renault	476,161	530,592
Total	915,464	978,396

Vans, trucks, buses

CBM	20	12
Iveco-Unic	39	2,382
Peugeot SA	55,666	40,143
Citroen	23,946	10,191
Peugeot	27,613	24,740
Talbot	4,107	5,212
Renault	85,520	82,932
Sovam	30	23
Total	141,275	125,492
Total vehicles	1,056,739	1,103,888

UNITED KINGDOM
Cars

	3 mos., 1985	3 mos., 1984
BL	139,086	111,879
Austin Rover	135,372	109,255
Range Rover	3,714	2,624
Carbodies	536	445
Ford	82,790	90,196
Jaguar	10,573	9,157
Lotus	239	247
Panther	28	90
Reliant	149	32
Rolls-Royce	552	497
Talbot	15,071	26,278
TVR	105	84
Vauxhall	41,989	33,677
Others	165	177
Total	291,283	272,759

Vans, trucks, buses

Bedford	14,922	15,756
BL	27,831	29,926
Austin Rover	7,139	6,201
Freight Rover	5,331	4,892
Land Rover	7,568	7,106
Leyland	3,996	3,394
ERF	597	436
Foden	158	212
Ford	27,831	29,926
Hestair Dennis	212	246
Metro Cammell Weyman	128	101
Reliant	27	79
Renault TI	1,347	1,027
Seddon Atkinson	422	399
Others	62	77
Total	69,740	69,852
Total vehicles	361,023	342,611

SPAIN
Cars

	3 mos., 1985	3 mos., 1984
Ford	67,610	67,316
General Motors	74,065	54,125
Peugeot SA	40,026	44,672
Citroen	18,326	24,721
Talbot	21,700	19,951
Renault	61,266	68,547
Seat	85,184	48,217
Total	328,151	282,877

Vans, trucks, buses

Enasa	2,209	2,561
Ford	1,582	2,230
Land Rover	4,314	3,114
Mercedes-Benz	2,815	3,559
Motor Iberica	6,264	4,982
Psa-Citroen	13,757	3,819
Renault	6,975	8,450
Seat	7,659	6,389
Setra	61	56
Total	45,636	35,160
Total vehicles	373,787	318,037

Ontario OK's arbitration

Plan designed to settle consumer complaints

TORONTO.—The Ontario Motor Vehicle Arbitration plan (OMVAP) has been announced by the Ministry of Consumer and Commercial Relations.

The program is designed to provide qualified, independent arbitrators to settle consumer disputes arising from alleged manufacturing defects in new vehicles sold in Ontario.

OMVAP will begin Jan. 1, 1986. It will oversee arbitration plans covering most new cars and light-duty trucks sold in Ontario, at no cost to consumers.

Representatives of several business and consumer groups and of the ministry will serve on the board of directors of the incorporated, nonprofit organization. The ministry will designate a chairperson.

OMVAP will accredit organizations used by the auto companies to provide arbitration programs. It will also select and train qualified arbitrators and maintain a master list of those arbitrators, which will be used by all authorized arbitration carriers in Ontario.

Consumer Minister Robert Runciman said, "These arbitration programs will provide Ontarians with fast, independent, uniform and high-quality arbitration as an alternative to seeking a court-ordered settlement of disputes."

The arbitrators' decisions will be binding on both parties.

A vehicle owner may bring to arbitration any matter that relates to an alleged defect in original manufacture and that seriously affects the safety or resale value of a vehicle sold and registered in Ontario.

Before entering into arbitration, consumers will be required to follow the manufacturer's complaint resolution procedure.

In agreeing to abide by the arbitrator's decision, consumers also agree to discontinue or forego litigation.

Each auto maker will decide on the duration of the arbitration coverage offered on their vehicles. Existing programs of coverage will carry over into the new plan.

The arbitration process has been designed to be quick and informal; lawyers are not an essential part of the hearing.

OMVAP was developed following research into so-called lemon laws now in effect in some states. It was determined that those laws provide inadequate protection for the consumer unless backed up by arbitration.

Therefore, the decision was made in Ontario to develop an arbitration plan that would provide consumer protection without the need for legislation.

Income rises

Mazda reports gain

OSHIMA, Japan.—Mazda Motor Corp. announced a 28-percent increase in income on higher sales for the first six months of fiscal 1985, ended April 30.

Net income totaled 15,186 million yen, or $60.2 million based on exchange rates at the end of the reporting period, up 27.5 percent from the 11,913 million yen earned in the first six months of 1984.

Revenues totaled 755,966 million yen, or $2.996 billion, up 6.3 percent from the previous year.

Mazda attributed its improved financial performance to increased sales and an upgraded model mix.

Vehicle production for the six months was 653,374 units, including 90,022 KD sets.

Factory sales including KD sets were 657,208, up 0.4 percent from a year ago. Passenger-car sales were down 2.8 percent to 427,408 units while commercial vehicle sales were up 6.9 percent to 229,800 units.

Domestic passenger-car sales were up 6 percent. Passenger-car sales dropped 5.7 percent overseas.

Mazda's cash and cash equivalents amounted to $744.7 million at the end of the fiscal period.